

**REPORT OF THE AUDIT OF THE
NICHOLAS COUNTY
SHERIFF**

**For The Year Ended
December 31, 2008**



**CRIT LUALLEN
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EXECUTIVE SUMMARY

AUDIT EXAMINATION OF THE NICHOLAS COUNTY SHERIFF

**For The Year Ended
December 31, 2008**

The Auditor of Public Accounts has completed the Nicholas County Sheriff's audit for the year ended December 31, 2008. Based upon the audit work performed, the financial statement presents fairly, in all material respects, the revenues, expenditures, and excess fees in conformity with the regulatory basis of accounting.

Financial Condition:

Excess fees increased by \$95 from the prior year, resulting in excess fees of \$199 as of December 31, 2008. Revenues increased by \$39,744 from the prior year and expenditures increased by \$39,649.

Report Comments:

- 2008-01 Expenditures Should Be Paid Within 30 Days Of Receipt
- 2008-02 The Sheriff's Office Lacks Adequate Segregation Of Duties Over Receipts And Disbursements
- 2008-03 The Sheriff Did Not Maintain Proper Documentation For Receipts And Disbursements Of The Drug Account
- 2008-04 The Sheriff Has \$40,401 Of Disallowed Expenditures From His Drug Account
- 2008-05 The Sheriff Has \$5,900 In Questioned Costs
- 2008-06 The Sheriff Should Require Bids When Necessary
- 2008-07 The Sheriff Should File A Listing Of Property Seized With The Proper Authorities
- 2008-08 The Sheriff Should Properly Account For Clothing Reimbursement
- 2008-09 The Sheriff's Office Lacks Adequate Segregation Of Duties Over The Forfeiture Account

Deposits:

The Sheriff's deposits were insured and collateralized by bank securities.

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CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Larry Tincher, Nicholas County Judge/Executive
The Honorable Leonard T. Garrett, Nicholas County Sheriff
Members of the Nicholas County Fiscal Court

Independent Auditor's Report

We have audited the accompanying statement of revenues, expenditures, and excess fees - regulatory basis of the Sheriff of Nicholas County, Kentucky, for the year ended December 31, 2008. This financial statement is the responsibility of the Sheriff. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and the Audit Guide for County Fee Officials issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Sheriff's office prepares the financial statement on a regulatory basis of accounting that demonstrates compliance with the laws of Kentucky, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenues, expenditures, and excess fees of the Sheriff for the year ended December 31, 2008, in conformity with the regulatory basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated October 16, 2009 on our consideration of the Nicholas County Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.



The Honorable Larry Tincher, Nicholas County Judge/Executive
The Honorable Leonard T. Garrett, Nicholas County Sheriff
Members of the Nicholas County Fiscal Court

Based on the results of our audit, we have presented the accompanying comments and recommendations, included herein, which discusses the following report comments:

- 2008-01 Expenditures Should Be Paid Within 30 Days Of Receipt
- 2008-02 The Sheriff's Office Lacks Adequate Segregation Of Duties Over Receipts And Disbursements
- 2008-03 The Sheriff Did Not Maintain Proper Documentation For Receipts And Disbursements Of The Drug Account
- 2008-04 The Sheriff Has \$40,401 Of Disallowed Expenditures From His Drug Account
- 2008-05 The Sheriff Has \$5,900 In Questioned Costs
- 2008-06 The Sheriff Should Require Bids When Necessary
- 2008-07 The Sheriff Should File A Listing Of Property Seized With The Proper Authorities
- 2008-08 The Sheriff Should Properly Account For Clothing Reimbursement
- 2008-09 The Sheriff's Office Lacks Adequate Segregation Of Duties Over The Forfeiture Account

This report is intended solely for the information and use of the Sheriff and Fiscal Court of Nicholas County, Kentucky, and the Commonwealth of Kentucky and is not intended to be and should not be used by anyone other than these interested parties.

Respectfully submitted,



Crit Luallen
Auditor of Public Accounts

October 16, 2009

NICHOLAS COUNTY
LEONARD T. GARRETT, SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND EXCESS FEES - REGULATORY BASIS

For The Year Ended December 31, 2008

Revenues

State Fees For Services:

Finance and Administration Cabinet	\$ 3,868	
Sheriff Security Service	6,397	
Cabinet For Health And Family Services	<u>80</u>	\$ 10,345

Circuit Court Clerk:

Fines and Fees Collected	4,736	
Court Ordered Payments	<u>378</u>	5,114

Fiscal Court		13,802
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County Clerk - Delinquent Taxes		944
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Commission On Taxes Collected		69,888
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Fees Collected For Services:

Auto Inspections	394	
Accident and Police Reports	149	
Serving Papers	19,654	
Carrying Concealed Deadly Weapon Permits	<u>1,168</u>	21,365

Other:

Board of Education- School Resource Officer	16,797	
10% tax penalty fee	14,419	
Advertising Fees	1,348	
Miscellaneous	<u>405</u>	32,969

Interest Earned		596
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Borrowed Money:

State Advancement		<u>55,000</u>
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Total Revenues		210,023
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The accompanying notes are an integral part of this financial statement.

NICHOLAS COUNTY
 LEONARD T. GARRETT, SHERIFF
 STATEMENT OF REVENUES, EXPENDITURES, AND EXCESS FEES - REGULATORY BASIS
 For The Year Ended December 31, 2008
 (Continued)

Expenditures

Operating Expenditures:

Personnel Services-

Deputies' Salaries \$ 36,000

Part-Time Salaries 5,297

Other Salaries 15,240

Contracted Services-

Advertising 156

Tax Program and Maintenance 800

Materials and Supplies-

Office Materials and Supplies 1,699

Uniforms 52

Auto Expense-

Gasoline 15,604

Maintenance and Repairs 2,175

Other Charges-

Dues 365

Postage 125

Bond 101

Carrying Concealed Deadly Weapon Permits 15

Communications 455

Cell Phone 2,915

HB 577 4,690

Miscellaneous 402 \$ 86,091

Debt Service:

State Advancement 55,000

Total Expenditures \$ 141,091

Net Revenues 68,932

Less: Statutory Maximum 68,733

Excess Fees Due County for 2008 199

Payment to Fiscal Court - March 2, 2009 199

Balance Due Fiscal Court at Completion of Audit \$ 0

The accompanying notes are an integral part of this financial statement.

NICHOLAS COUNTY
NOTES TO FINANCIAL STATEMENT

December 31, 2008

Note 1. Summary of Significant Accounting Policies

A. Fund Accounting

A fee official uses a fund to report on the results of operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fee official uses a fund for fees to account for activities for which the government desires periodic determination of the excess of revenues over expenditures to facilitate management control, accountability, and compliance with laws.

B. Basis of Accounting

KRS 64.820 directs the fiscal court to collect any amount, including excess fees, due from the Sheriff as determined by the audit. KRS 134.310 requires the Sheriff to settle excess fees with the fiscal court at the time he files his final settlement with the fiscal court.

The financial statement has been prepared on a regulatory basis of accounting, which demonstrates compliance with the laws of Kentucky and is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this regulatory basis of accounting revenues and expenditures are generally recognized when cash is received or disbursed with the exception of accrual of the following items (not all-inclusive) at December 31 that may be included in the excess fees calculation:

- Interest receivable
- Collection on accounts due from others for 2008 services
- Reimbursements for 2008 activities
- Tax commissions due from December tax collections
- Payments due other governmental entities for payroll
- Payments due vendors for goods or services provided in 2008

The measurement focus of a fee official is upon excess fees. Remittance of excess fees is due to the County Treasurer in the subsequent year.

C. Cash and Investments

At the direction of the fiscal court, KRS 66.480 authorizes the Sheriff's office to invest in the following, including but not limited to, obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

NICHOLAS COUNTY
NOTES TO FINANCIAL STATEMENT
December 31, 2008
(Continued)

Note 2. Employee Retirement System

The county officials and employees have elected to participate in the County Employees Retirement System (CERS), pursuant to KRS 78.530 administered by the Board of Trustees of the Kentucky Retirement Systems. This is a cost-sharing, multiple-employer, defined benefit pension plan that covers all eligible full-time employees and provides for retirement, disability, and death benefits to plan members.

Benefit contributions and provisions are established by statute. Nonhazardous covered employees are required to contribute 5.0 percent of their salary to the plan. The county's contribution rate for nonhazardous employees was 16.17 percent for the first six months and 13.5 percent for the last six months of the year.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65.

Historical trend information pertaining to CERS' progress in accumulating sufficient assets to pay benefits when due is presented in the Kentucky Retirement Systems' annual financial report which is a matter of public record. This report may be obtained by writing the Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, Kentucky 40601-6124, or by telephone at (502) 564-4646.

Note 3. Deposits

The Nicholas County Sheriff maintained deposits of public funds with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC) as required by KRS 66.480(1)(d). According to KRS 41.240(4), the depository institution should pledge or provide sufficient collateral which, together with FDIC insurance, equals or exceeds the amount of public funds on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the Sheriff and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a depository institution failure, the Sheriff's deposits may not be returned. The Nicholas County Sheriff does not have a deposit policy for custodial credit risk but rather follows the requirements of KRS 41.240(4). As of December 31, 2008, all deposits were covered by FDIC insurance or a properly executed collateral security agreement.

NICHOLAS COUNTY
NOTES TO FINANCIAL STATEMENT
December 31, 2008
(Continued)

Note 4. Lease

The office of the Sheriff was committed to a lease agreement with IKON for a copier and fax machine. The agreement requires a quarterly payment of \$111 to be completed on April 27, 2012. The total remaining balance of the agreement was \$1,443 as of December 31, 2008.

Note 5. Drug Account

The Nicholas County Sheriff's office maintains a drug forfeiture account. This account is funded by proceeds from the confiscation, surrender, or sale of real and personal property involved in drug-related convictions. This account had a beginning balance of \$33,431. Receipts during the year were \$62,368 including \$150 in interest income. Disbursements during the year totaled \$93,256 of which \$46,955 was used to purchase law enforcement equipment for the Sheriff's office, \$40,410 for disallowed expenditures (see comment 2008-04), and \$5,900 for questioned costs (see comment 2008-05). As of December 31, 2008, the ending balance was \$2,543.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS



CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

The Honorable Larry Tincher, Nicholas County Judge/Executive
The Honorable Leonard T. Garrett, Nicholas County Sheriff
Members of the Nicholas County Fiscal Court

**Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With Government Auditing Standards**

We have audited the statement of revenues, expenditures, and excess fees - regulatory basis of the Nicholas County Sheriff for the year ended December 31, 2008, and have issued our report thereon dated October 16, 2009. The Sheriff's financial statement is prepared in accordance with a basis of accounting other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Nicholas County Sheriff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control over financial reporting. Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the regulatory basis of accounting such that there is more than a remote likelihood that a misstatement of the entity's financial statement that is more than inconsequential will not be prevented or detected by the entity's internal control over financial reporting. We consider the deficiencies described in the accompanying comments and recommendations as items 2008-02 and 2008-09 to be significant deficiencies in internal control over financial reporting.



Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of The Financial
Statement Performed In Accordance With Government Auditing Standards
(Continued)

Internal Control Over Financial Reporting (Continued)

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statement will not be prevented or detected by the entity's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiencies described above to be material weaknesses.

Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Nicholas County Sheriff's financial statement for the year ended December 31, 2008, is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying comments and recommendations as items 2008-01, 2008-03, 2008-04, 2008-05, 2008-06, 2008-07, and 2008-08.

The Nicholas County Sheriff's responses to the findings identified in our audit are included in the accompanying comments and recommendations. We did not audit the Sheriff's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Nicholas County Fiscal Court, and the Department for Local Government and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



Crit Luallen
Auditor of Public Accounts

October 16, 2009

COMMENTS AND RECOMMENDATIONS

NICHOLAS COUNTY
LEONARD T. GARRETT, SHERIFF
COMMENTS AND RECOMMENDATIONS

For The Year Ended December 31, 2008

FINANCIAL STATEMENT FINDINGS:

2008-01 Expenditures Should Be Paid Within 30 Days Of Receipt

Two invoices, out of 20 tested, totaling \$3,788 were not paid within 30 days of receipt. KRS 65.140(2) states, "All bills for goods or services shall be paid within thirty (30) working days of receipt of a vendor's invoice." It continues to state that if a payment of invoices exceeds 30 days, a 1% interest penalty should be added. We recommend the Sheriff pay all bills within 30 working days as required.

Sheriff's Response: Did not have the money at the time until we got to collecting taxes and money in fee account.

2008-02 The Sheriff's Office Lacks Adequate Segregation Of Duties Over Receipts And Disbursements

All employees of the Sheriff's office collect receipts. The bookkeeper prepares the daily bank deposit and daily checkout sheet and then posts items to the receipts ledger. The bookkeeper prepares the quarterly financial report and bank reconciliations that are agreed to the receipts and disbursements ledgers. The Sheriff reviews bank reconciliations prepared by the bookkeeper and this is documented by him initialing the reconciliation. The bookkeeper also prepares checks for all disbursements including payroll and posts the items to the disbursements ledger. The Sheriff signs all checks. Good internal controls dictate that the same employee should not handle, record, and reconcile receipts and disbursements. The Sheriff should implement and document that he is performing the following steps to strengthen internal controls:

- The Sheriff should periodically compare the daily bank deposit to the daily checkout sheet and then compare the daily checkout sheet to the receipts ledger. Any differences noted should be reconciled. The Sheriff should document this by initialing the bank deposit, daily checkout sheet, and receipts ledger.
- The Sheriff should review the quarterly financial report and compare amounts reported to the receipts and disbursements ledger. The Sheriff should document this by initialing the receipts and disbursements ledgers.

Sheriff's Response: Will do and do.

NICHOLAS COUNTY
LEONARD T. GARRETT, SHERIFF
COMMENTS AND RECOMMENDATIONS
For The Year Ended December 31, 2008
(Continued)

FINANCIAL STATEMENT FINDINGS: (Continued)

2008-03 The Sheriff Did Not Maintain Proper Documentation For Receipts And Disbursements Of The Drug Account

During 2008, the Sheriff did not maintain adequate documentation for receipts and expenditures from the drug account. The Sheriff only maintained bank statements and some invoices. The Sheriff did not maintain minimum documentation as adopted by the Kentucky Sheriff's Association. This documentation at a minimum consists of detailed monthly expenditure reports and/or log maintenance. For drug buys, the date, case number, purpose, and amount should be documented. We recommend the Sheriff implement the guidelines and forms to be utilized for Sheriff's record keeping systems adopted by the Kentucky Sheriff's Association.

Sheriff's Response: If there was ever a case like this again would do better bookkeeping and proper documentation.

2008-04 The Sheriff Has \$40,401 Of Disallowed Expenditures From His Drug Forfeiture Account

During the review of expenditures from the Sheriff's drug forfeiture account, we noted \$40,401 that will be disallowed:

- \$37,746 lack of support
- \$2,655 unnecessary and personal

These expenditures consisted of \$15,456 in checks written to cash and cash transfers that lacked any supporting documentation, \$16,037 for a payment to a car dealership with no supporting documentation and was not registered in the county's name, \$1,264 for exercise equipment and other personal items, \$4,484 written to the bank having no documentation, and other items totaling \$3,160 that had no support or were for unnecessary items.

KRS 218A.420 requires drug funds forfeited to the Sheriff's office to be used for "direct law enforcement purposes." Only expenditures that are documented to be for direct law enforcement purposes will be allowed.

In addition, the Sheriff is required to expend all drug account monies on allowable expenditures as defined in the case of Funk v. Milliken, 317 S.W.2d 499 (KY 1958).

In Funk vs. Milliken, 317 S.W.2d 499 (KY. 1958), Kentucky's highest court reaffirmed the rule that county fee officials' expenditures of public funds will be allowable only if they are necessary, adequately documented (to be for direct law enforcement purposes), reasonable in amount, beneficial to the public, and not personal expenses.

When monies are spent on disallowed expenditures, the Sheriff is required to deposit personal funds in the account to cover these items.

NICHOLAS COUNTY
LEONARD T. GARRETT, SHERIFF
COMMENTS AND RECOMMENDATIONS
For The Year Ended December 31, 2008
(Continued)

FINANCIAL STATEMENT FINDINGS: (Continued)

2008-04 The Sheriff Has \$40,401 Of Disallowed Expenditures From His Drug Forfeiture Account (Continued)

We recommend the Sheriff reimburse the Drug Account \$40,401 for these disallowed expenditures. We further recommend in future, the Sheriff maintain adequate documentation for all expenditures of his office.

Sheriff's Response: Drug account expenditures were for Sheriff's office, Sheriff and Deputy that made and worked days and long hours on this bust in order to have the drug expenditure account.

2008-05 The Sheriff Has \$5,900 In Questioned Costs

During our review of the drug fund, we noted \$5,900 of checks written for drug buys; however, no log or support was maintained. The checks written to cash included drug buy (D.B.) notations in the memo line only. The Sheriff should maintain minimum documentation as adopted by the Kentucky Sheriff's Association which includes the date, case number, purpose, and amount being documented. We recommend the Sheriff implement the guidelines and forms to be utilized for Sheriff's record keeping systems adopted by the Kentucky Sheriff's Association.

Sheriff's Response: Will have better drug buy log if there ever is another drug forfeiture account.

2008-06 The Sheriff Should Require Bids When Necessary

During our audit, we noted the Sheriff purchased a vehicle for his office; however, no bids were obtained. KRS 424.260 requires that no Sheriff may make a contract, lease, or other agreement for equipment involving an expenditure of more than twenty thousand dollars (\$20,000) without first making newspaper advertisement for bids. We recommend the Sheriff comply with this statute in future.

Sheriff's Response: Will do.

2008-07 The Sheriff Should File A Listing Of Property Seized With The Proper Authorities

During our audit, it was noted the Sheriff did not prepare and submit a listing of property seized with the appropriate authorities. KRS 218A.440(1) requires each law enforcement agency seizing money or property pursuant to KRS 218A.415, at the close of each fiscal year, to file a statement with the Auditor of Public Accounts and with the Secretary of the Justice and Public Safety Cabinet containing a detailed listing of all money and property seized in that fiscal year and the disposition thereof. The listing must identify all property so seized. We recommend the Sheriff comply with this statute.

Sheriff's Response: Will do.

NICHOLAS COUNTY
LEONARD T. GARRETT, SHERIFF
COMMENTS AND RECOMMENDATIONS
For The Year Ended December 31, 2008
(Continued)

FINANCIAL STATEMENT FINDINGS: (Continued)

2008-08 The Sheriff Should Properly Account For Clothing Reimbursements

During our audit, it was noted the deputy was reimbursed for clothing expenditures.

Reimbursements to the employees of a Sheriff's Office for clothing necessary for undercover work will be allowed if handled the following way:

- The office has a written policy pertaining to the reimbursement procedures.
- The policy requires detailed receipts be submitted for reimbursement.
- The policy sets a specific limit as to how much can be reimbursed for this purpose per employee.
- The amount of reimbursement is included on the employee's W-2 as taxable income.

Currently the Sheriff does not have a written policy for clothing allowances and these amounts were not included on the employee's W-2. We recommend the Sheriff adhere to the above guidelines reimbursements.

Sheriff's Response: Will do.

2008-09 The Sheriff's Office Lacks Adequate Segregation Of Duties Over The Forfeiture Account

The Sheriff's office has a lack of adequate segregation of duties over the forfeiture account. The Sheriff is sole custodian of the forfeiture account. No receipts or disbursements ledgers are maintained and the account is not reconciled. The Sheriff also writes all checks from the account. Good internal controls dictate that the same person should not handle, record, and reconcile receipts and disbursements. We recommend that the Sheriff segregate some of these duties in order to strengthen internal controls.

Sheriff's Response: Will have better receipts and disbursements ledgers if there ever is another drug forfeiture account.

